



# PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Washington State Department of Agriculture

<input type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR _____; or	<input checked="" type="checkbox"/> Original Notice
<input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or	<input type="checkbox"/> Supplemental Notice to WSR _____
<input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4).	<input type="checkbox"/> Continuance of WSR _____

Title of rule and other identifying information: (Describe Subject) Hops, Chapter 16-532 WAC, the Washington Hop Commission Marketing Order

Hearing location(s):  
Washington Hop Growers Office  
301 W. Prospect Place  
Moxee, WA 98936

Date: February 23, 2006  
Time: 1:00 p.m.

Submit written comments to:  
Deborah Axelson, Commodity Commission Coordinator  
WA State Dept of Agriculture  
PO Box 42560  
Olympia, WA 98504  
E-mail: [daxelson@agr.wa.gov](mailto:daxelson@agr.wa.gov)  
Fax: (360) 902-2092 By: February 23, 2006, 5:00 p.m.

Assistance for persons with disabilities: Contact  
Rochelle Painter at (360) 902-2060 by February 17, 2006.  
TTY: (360) 902-1996

Date of intended adoption: July 17, 2006  
(Note: This is NOT the effective date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The Washington State Hop Commission has petitioned the Director to amend its marketing order. The Commission has proposed that inspection requirements be clarified to ensure that all baled hops are officially sampled by a Washington State Department of Agriculture inspector. This proposed amendment would be consistent with current industry practice.

The Commission has also proposed an increase of \$0.32 per bale in the annual assessment rate, which will allow the Hop Commission to continue to fund critical research and other programs for the hop industry. This equates to a 17.8% assessment increase, the first increase since 1991.

The following Marketing Order sections are affected by the proposed amendments:

1. Amend WAC 16-532-035 Inspection required.
2. Amend WAC 16-532-040, Assessments and collections.

Reasons supporting proposal: To implement the petition received from the Washington State Hop Commission in accordance with RCW 15.65.050.

Statutory authority for adoption: RCW 15.65.050, 15.65.330, and chapter 34.05 RCW

Statute being implemented: Chapter 15.65 RCW

Is rule necessary because of a:

Federal Law?

☐ Yes ☒ No

Federal Court Decision?

☐ Yes ☒ No

State Court Decision?

☐ Yes ☒ No

If yes, CITATION:

DATE

January 18, 2006

NAME (type or print)

William E. Brookreson

SIGNATURE

TITLE

Deputy Director

CODE REVISER USE ONLY

CODE REVISER'S OFFICE  
STATE OF WASHINGTON  
FILED

JAN 18 2006

TIME 1120 AM  
WSR 06-03-132 PM

(COMPLETE REVERSE SIDE)

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

Any rule proposal that results from this rulemaking process will not be adopted unless the proposed rules are also approved in a referendum of affected hop producers pursuant to RCW 15.65.170.

**Name of proponent:** (person or organization) Washington Hop Commission

- ☐ Private  
☐ Public  
☒ Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting.....Deborah Axelson, WSDA	Olympia	(360) 902-2012
Implementation.....WA Hop Commission and Department of Agriculture	Olympia Moxee	(360) 902-2012 (509) 453-4749
Enforcement.....Same as above.	Same as above.	Same as above.

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No. Explain why no statement was prepared.

Any adoption of amendments to WAC 16-532 would ultimately be determined by a referendum vote of the affected parties. A formal small business economic impact statement under RCW 19.85 is not required because of the exemption granted in RCW 15.65.570(2).

**Is a cost-benefit analysis required under RCW 34.05.328?**

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No: Please explain: The Department of Agriculture and the WA Hop Commission are not named agencies in RCW 34.05.328 (5) (a) (i).

AMENDATORY SECTION (Amending Order 5077, filed 8/23/95, effective 9/23/95)

**WAC 16-532-035 Inspection required.** (1) Before marketing or processing, all varieties of hops produced in the state of Washington ((shall)) must be inspected and certified by the Federal/State Hop Inspection Service for quality and condition of seed, leaf and stem ((prior to marketing or processing, pursuant)) according to the standards established by the Federal Grain Inspection Service of the United States Department of Agriculture.

(2) Any hops that are baled on a producer's farm must be officially sampled by a Washington state department of agriculture inspector.

AMENDATORY SECTION (Amending WSR 05-15-098, filed 7/15/05, effective 8/15/05)

**WAC 16-532-040 Assessments and collections.** (1) **Assessments.**

(a) The annual assessment on all varieties of hops shall be ~~((one dollar and eighty))~~ two dollars and twelve cents per affected unit.

(b) For the purpose of collecting assessments the board may:

(i) Require handlers to collect producer assessments from producers whose production they handle, and remit the same to the board; or

(ii) Require the person subject to the assessment to give adequate assurance or security for its payment; or

(iii) Require the person subject to the assessment to remit assessments for any hops which are processed prior to the first sale; or

(iv) Require the person subject to the assessment to remit an inventory report for any hops which are not processed or sold prior to December 31 of the year in which they are produced.

(c) Subsequent to the first sale or processing, no affected units shall be transported, carried, shipped, sold, marketed, or otherwise handled or disposed of until every due and payable assessment herein provided for has been paid and the receipt issued. The foregoing shall include all affected units shipped or sold, both inside and outside the state.

(2) **Collections.** Any moneys collected or received by the board pursuant to the provisions of the order during or with respect to any season or year may be refunded on a pro rata basis at the close of such season or year or at the close of such longer

period as the board determines to be reasonably adapted to effectuate the declared policies of this act and the purposes of such marketing agreement or order, to all persons from whom such moneys were collected or received or may be carried over into and used with respect to the next succeeding season, year or period whenever the board finds that the same will tend to effectuate such policies and purposes.

(3) **Penalties.** Any due and payable assessment herein levied in such specified amount as may be determined by the board pursuant to the provisions of the act and the order, shall constitute a personal debt of every person so assessed or who otherwise owes the same, and the same shall be due and payable to the board when payment is called for by it. In the event any person fails to pay the board the full amount of such assessment or such other sum on or before the date due, the board may, and is hereby authorized to add to such unpaid assessment or sum an amount not exceeding ten percent of the same to defray the cost of enforcing the collecting of the same. In the event of failure of such person or persons to pay any such due and payable assessment or other such sum, the board may bring a civil action against such person or persons in a state court of competent jurisdiction for the collection thereof, together with the above specified ten percent thereon, and such action shall be tried and judgment rendered as in any other cause of action for debt due and payable.